

# THE INTERIM

A Monthly Newsletter of the Montana Legislative Branch

olume XVI, No. 3 Helena, Montana August 2007

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#### THE INTERIM

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THE INTERIM is a monthly newsletter that reports on the interim activities of legislative committees, including the Legislative Council, the Environmental Quality Council, the Legislative Finance Committee, the Legislative Audit Committee, and interim legislative committees and subcommittees staffed by the Legislative Services Division. Information about the committees, including meeting schedules, agendas, and reports, is found at http://www.leg.mt.gov. Follow the "Committees" link or the "Interims" link to the relevant committee. The newsletter is posted on the legislative branch website on the first of each month (follow the "Publications'

#### A Publication of



#### **HAPPY 50th, LEGISLATIVE COUNCIL**

By Robert Person and Susan Byorth Fox

This August marks the 50th anniversary of the Montana Supreme Court decision (State v. Aronson, 132 Mont. 120, 314 P.2d 849 (1957)) that cleared the way for the Legislative Council to become a reality. Robert Person, the former Legislative Services Division Executive Director, wrote the following piece 10 years ago on the 40th Birthday of the Montana Legislative Council. It provides excellent perspective on the history of the first legislative branch permanent staff

#### ON THE 40TH BIRTHDAY OF THE MONTANA LEGISLATIVE COUNCIL

By Robert Person

Montana established the Legislative Council on February 21, 1957, with the adoption of House Bill 46.

Following more than a decade of effort to create a permanent presence for the Legislative Branch of government, House Bill 46, introduced by Ben E. Berg Jr., Livingston; Sumner Gerard, Ennis; Jerome Anderson, Billings; R. F. Juedeman, Shelby; Fred E. Barrett, Chester; Patrick F. Hooks, Townsend; B.W. Thomas, Chinook; James R. Felt, Billings; Charles Cerovski, Lewistown; John J. MacDonald, Jordan; Lloyd Barnard, Saco; and Lloyd Michels, Medicine Lake, finally prevailed.

Historians Michael Malone, Richard Roeder, and William Lang reported the Council's creation as "[a] momentous change" in an otherwise politically uneventful era in Montana history -- one that "would provide [lawmakers] with better intelligence and help free them from such heavy reliance on lobbyists."

#### ROOTS OF THE LEGISLATIVE COUNCIL

Although there had been proposals for creation of a Legislative Council in the late 1940s and even earlier, the process that resulted in the creation of the Council in 1957 is rooted in 1953 when the Commission on Reorganization of State Government, appointed earlier to consider the question of reorganization of state government generally, included recommendations for improvement of the Legislature in its report. The Commission recognized a need for a strong and independent Legislature. The Commission saw the need as more critical because of increased governmental activity experienced since the end of World War II. The commissioners saw an interim organization of the Legislature, which did not exist at the time, as a pressing need. The Commission noted the Legislative Council movement in other states and recommended that a Legislative Council be established in Montana.

A bill was introduced to implement the recommendation. It proposed that the new agency:

- study and review the entire organization and structure of state government . . . to promote efficiency; and
- review and analyze the various activities and functions . . . consolidation, reorganization, and abolishment . . . of agencies of

government.

To accomplish these goals, the Legislative Council was to:

- examine organization of government;
- examine the current condition of all state funds and appropriations;
- receive messages and reports from the Governor and other state officials;
- compel the attendance of witnesses; and
- make such investigations and surveys as it found desirable.

The bill passed the Legislature, but immediately other state officials challenged the law. The Supreme Court declared the bill unconstitutional, finding that membership on the Legislative Council meant a legislator was holding a civil office in addition to the legislative seat.

The bill that passed in 1957 was virtually the same bill as had been declared unconstitutional four years earlier. Senator Dave James soon pursued a constitutional challenge to test the law. This time, the court found the law constitutional and overturned most of the previous decision. The Council then organized and went to work, hiring an Executive Director by the fall of the year, Eugene C. Tidball. A year later, the fledgling organization issued its first reports.

#### THE COUNCIL AS A RESEARCH AGENCY

Following the model found in other states, the founders of the Legislative Council designed it principally as a research agency. Longtime Capitol reporter, J.D. Holmes, to the end of his career in journalism, always referred to the Council as the "research arm" of the Legislature. Subcommittees comprising members of the Council and other legislators actively supervised research projects with the support of a small research staff. The 12-member Council made all final recommendations. The Council's research jurisdiction essentially was unbounded, but it concentrated heavily on financial affairs in the early years.

Services now taken for granted by the people of the state and the Legislature were not provided then. At first, the Legislative Council had no formal role in bill drafting. However, the Council immediately assumed bill drafting responsibility following a recommendation in its first general report. Other major roles would be developed later.

#### **REORGANIZATION**

In 1973, the Legislature adopted a major reorganization of the Legislative Council. The reorganization provided a structure for expansion of the permanent staff, while reducing the size of the Council itself to eight

members. The reorganization established functional divisions within the Legislative Council and assigned roles to them. The reorganization bill established the role of business manager for the Legislature, but the function was only partially implemented. Other roles, especially expanded legal and research support, have been more fully implemented.

It was in 1973 that a computer was first used to support all bill text processing for the Legislature. Because of the way the new system worked, rules required the Council staff to draft and clerically prepare all bills for introduction. Engrossing (the process of inserting amendments into the text of the bill) and enrolling (preparing a bill for transmittal to the Governor) became Council staff functions rather than functions performed by temporary Senate and House typists.

#### THE EVOLUTION OF THE INTERIM

Along with the reorganization of staff functions came a reorganization of interim committee functions. A new annual session structure as well as controversy that had arisen over the exercise of power by the Legislative Council led to the changes. Interim committees had been organized as subcommittees of the Council since 1957. The Council in the end reviewed the work of the subcommittees and adopted and passed on recommendations to the Legislature. When the Council disagreed with a subcommittee conclusion, controversy followed. One feature of the bill passed in 1973 removed the Council from any authority over committee recommendations. Another change provided that the committee work be done by standing committees through joint subcommittees. These subcommittees were organizationally unrelated to the Council. A legislative entity, the Committee on Priorities (essentially Joint Rules), became responsible for assigning the interim studies, and the subcommittees submitted their recommendations independent of the Council. By using standing committees, the legislators believed that they could obtain better continuity with the succeeding session and thus achieve better results from committee work. With annual sessions, this would be especially the case between regular sessions of the same Legislature. Rules allowed joint interim committees to report bills directly to second reading in the second session of a biennial Legislature. With the demise of annual sessions, that feature was lost, but the structure remained.

Beginning in 1973, the Legislative Council was no longer primarily a research entity. The staff had broadened responsibilities, and the Council itself had become an administrative committee in charge of overseeing staff services to the Legislature. More of those services would be added in the ensuing years.

### GENESIS OF THE OFFICE OF THE CODE COMMISSIONER

By 1975, legal practitioners recognized that the 1947 revision of Montana's statutes had outlived its usefulness.

Debate surrounded the issue of who should be responsible for recodification, continuous update and revision of the code after recodification, and publication of the code. Beginning in 1971, the Legislative Council had maintained an electronic data base of the codified laws. The Legislature recognized a synergy that would exist if the Council could use that data base and experienced Council staff to support recodification and code publication besides bill preparation. Thus, the Legislature created the Office of Code Commissioner, with responsibility for recodification and publication of the Montana Code Annotated within the Council. The Council appointed Diana Dowling, then the Council Legal Services Director, to additional duty as Code Commissioner, roles now held by Greg Petesch.

### A SECOND REORGANIZATION AND BIRTH OF A TRIUMVIRATE

From the late 1960s through the 1970s the Legislature continued to experiment with new committees to meet various needs. First came the creation of the separate legislative audit, legislative fiscal analysis, and environmental quality functions. Although the Legislative Council maintained a steady and limited view of its own role in the process, the Council and its staff were assigned responsibility for supporting numerous other committees and functions. By the early 1980s some legislators began discussing reorganization of legislative branch entities. These discussions culminated after more than a decade of discussion with the adoption of Legislative Branch reorganization in 1995 through Senate Bill 398. The reorganization affected the Legislative Council in a number of ways:

 Revised membership and appointment of Legislative Council

Leadership was added ex officio to the Council, increasing its size back to the original 12 and specifying that the four additional Senators are appointed by the Committee on Committees and the four additional house members be appointed by the Speaker, while maintaining the equally bipartisan character of the body.

Revised duties of Legislative Council

The Legislative Council became responsible for adopting personnel and administrative policy with the concurrence of the Legislative Finance Committee and the Legislative Audit Committee. This resulted in the formation of a new partnership among the three governing committees and their staff leadership.

In a major shift for the Legislative Services Division staff in particular, the reorganization bill separated policy and staff management functions in the laws governing the Legislative Council, assigning management functions to the Executive Director and leaving policy with the Council.

The bill clarified and expanded Legislative Council responsibilities for interstate and international cooperation. This change gave the Council clear responsibility for managing interstate and international cooperation arrangements on behalf of the Legislature. Originally, this responsibility extended to cooperation with other states through the Council of State Governments. Over the years, however, Montana also participated in other organizations, such as the National Conference of State Legislatures and the Five-State Legislative Conference, to fill other needs for interstate communication with the Legislative Council as de facto sponsor. Additionally, the Legislature took on sister state responsibilities formally with both Kumamoto, Japan, and Taiwan, Republic of China without regard to how those relationships would be administered. These and arrangements, if any, with Canadian provinces became the responsibility of the Legislative Council.

The bill assigned the Legislative Branch computer system plan adoption responsibility to the Legislative Council in place of Joint Legislative Administration Committees.

#### THE LEGISLATIVE COUNCIL'S MISSION

The Legislative Council responded to reorganization by looking closely at its role in the legislative process. As a result of its work, the Council adopted a new mission statement:

The Legislative Council's mission is to provide ongoing leadership, direction, and foresight for the efficient operation and improvement of the Legislative Branch; to establish personnel and pay policies in order to maintain professional and highly motivated employees; to educate the public about the Legislature and foster public participation in the legislative process; and to preserve the integrity of the Legislature as an equal branch of government.

Thus reinvigorated, the Legislative Council celebrates its 40th anniversary looking forward to the new century and to another 40 years of service to the people of Montana and their Legislature.

### TODAY'S LEGISLATIVE COUNCIL AND LOOKING AHEAD

By Susan Byorth Fox

After Eugene C. Tidball, the Executive Directors of the Legislative Council have been Donald L. Sorte, Rose

Weber, Diana Dowling, Robert Person, and Lois Menzies. I have followed in their footsteps for the past year. As a personal aside, my grandmother, Rosemary Acher, served as staff secretary from 1961 to 1965.

In the past 10 years, the Capitol has been restored bringing a new look to legislative space. The Legislative Council has pursued its mission in the efficient operation and improvement of the Legislative Branch. In 1999 and 2001, the Legislative Council led a project to revamp the interim committee process. The result was the creation of permanent interim committees, each dedicated to a specific policy area and composed of members of related standing and appropriations committees. The permanent interim committees created were Economic Affairs; Education and Local Government; Children, Families, Health and Human Services; Law and Justice; Revenue and Transportation; State Administration and Veterans' Affairs; and State-Tribal Relations. An Energy and Telecommunications committee was added in 2003.

The duties of the interim committees include the review of agency administrative rules, to conduct interim studies as assigned by the Legislative Council, to monitor the operation of assigned executive branch agencies, to review proposed agency legislation (added in 2001), and to accumulate, compile, analyze, and furnish information related to the committee assignment and existing or prospective legislation. The latter duty is reminiscent of the original research functions and similar to the subcommittee structure of the mid-1970s. The Environmental Quality Council still exists assuming many of the additional functions of an interim committee in addition to its historical duties. Also, the State-Tribal Relations Committee exists to act as a liaison between the Legislature and the tribal governments in Montana.

The Legislative Council has continued in its mission through its recent activities. It has responded to term limits by assuming new duties, such as setting the dates for caucuses and institutionalizing an orientation program for new legislators. In addition, the Legislative Council recommended to the 2007 Legislature the creation of a Legislative Information Officer position to further the goal of educating the public and to foster public participation in the legislative process. Other Legislative Council efforts include expanding TVMT to statewide coverage, funding training and interstate opportunities for legislators, and participating in the National Conference of State Legislatures' "Legislators Back to School" program.

The 2007-2008 Legislative Council members are Rep. Bob Bergren, presiding officer, Havre; Rep. Dennis Himmelberger, vice-presiding officer, Billings; Sen. Greg Barkus, Kalispell; Rep. Debby Barrett, Dillon; Rep. Margaret Campbell, Poplar; Sen. Vicki Cocchiarella, Missoula; Sen. Mike Cooney, Helena; Sen. Kelly Gebhardt, Roundup; Sen. Dan Harrington, Butte; Rep. Dave McAlpin, Missoula; Rep. Scott Sales, Bozeman; and Sen. Corey Stapleton, Billings.

Members will soon embark on a strategic planning session in furtherance of the Council's mission and in leadership of the branch. The full impact of term limits has set in and provides new challenges and opportunities ahead.

The aging of the Baby Boomers is another challenge as dedicated staff move into retirement, making transition planning imperative.

The existence and evolution of the Legislative Council and the Legislative Services Division have expanded the ability of the Legislature to serve the people of Montana and will enable the Legislature to strengthen the institution to provide a balance of powers over the next 50 years.

#### LEGISLATIVE COUNCIL

Council makes appointments to CSG, NCSL...The Legislative Council has made its appointments to the Council of State Governments and National Conference of State Legislatures committees. For a complete posting of all appointments to interim and interstate committees, please visit the Legislative Council website.

See you in September...The Legislative Council will meet again Sept. 25 and 26 (tentatively) in Helena for a public meeting and a strategic planning retreat. Agenda items include a decision on the appropriation item for a mental health study, requests for additional funding for various interim committees, and other budget items.

For more information, please contact Susan Byorth Fox at 406-444-3066 or sfox@mt.gov. Email sign up for meeting notification and materials are available on the Legislative Council's website.

## REVENUE AND TRANSPORTATION COMMITTEE

Committee conducts organizational meeting in June...The Revenue and Transportation Interim Committee met June 17 in Helena. Committee members are Sens. Jim Elliott (acting chair), Jeff Essmann, Kim Gillan, Christine Kaufmann, Jim Peterson, and Bob Story and Reps. Tim Furey, Galen Hollenbaugh, Mike Jopek, Bob Lake, Penny Morgan, and Jon Sonju.

Busy interim ahead for the committee...The committee reviewed a work plan and meeting schedule for the interim. In addition to its monitoring and rule review functions of the Departments of Revenue and Transportation, the committee will conduct three studies this interim. HB 488 directs the committee to study property taxes and the periodic reappraisal of agricultural land, residential and commercial land and improvements, and forest land. These types of property are currently reappraised every six years with new values going into effect on Jan. 1, 2009. Because of disparate changes in appraised value of property, particularly residential and commercial property, during the last several reappraisal cycles, one of the primary purposes of the study will be to examine options to mitigate the property tax effects of valuation changes. The committee

will also study property taxation and school funding (SJR 31) and study the linkage of federal and state individual and corporation income taxes (HJR 61).

The work plan contained a recommendation that the committee look at clarifying the laws related to entitlement share payments to local governments and tax increment finance districts and reimbursement payments to school districts and a recommendation to consider reorganizing certain statutory provisions related to the individual income tax and the corporation license tax. The recommendation on reorganizing the laws on individual income taxes and corporation license taxes would not involve any policy changes.

Department reports...Dan Bucks, director, Department of Revenue, reported on the implementation of the \$400 property tax rebate for residential homeowners enacted by HB 9 (Ch. 6, Sp. L. May 2007) during the May special session. The department will mail out 300,000 forms generated from the property tax data base on Aug. 22 and will begin processing refunds by Sept. 1. The department will work with public and private sectors to inform taxpayers of the rebate. The deadline for filing for the rebate is Dec. 31, 2007; however, the department may grant an extension for filing for good cause. Rebates may not be paid after June 30, 2008.

Bucks also reported on the implementation of the SB 439 (Ch. 468, L. 2007) backup withholding for mineral royalty payments and on the implementation of HB 680 (Ch. 327, L. 2007) for contracting with out-of-state entities to collect debt owed the state by nonresidents. Dave Hunter, deputy director, Department of Revenue, told the committee that the department is developing rules to clarify procedures for tax increment finance districts. The new rules will include time lines for the documentation and implementation of a TIF, standards for what constitutes a development plan, and standards of proof.

Jim Lynch, director, Montana Department of Transportation, summarized priority construction projects in each of the state's highway districts for the next 2 years. He also told the committee that project costs are increasing because of higher prices for right-of-way acquisition and for fuel and materials including steel, concrete, and asphalt.

Next meeting scheduled for Sept. 19...The committee is scheduled to meet Wednesday, Sept. 19 in Room 137of the state Capitol. An agenda and other meeting material will be available on the committee's webpage in early September.

The loop is always open...Interested parties are reminded that they can sign up for electronic notification of committee meetings, agendas, staff reports, minutes, and other information by going to the committee's webpage and following the link to the email subscription page. As always, hard copies of meeting agendas will be mailed to people who prefer that method.

The work plan is available on the committee's webpage at http://leg.mt.gov/css/committees/interim/

2007 2008/rev trans/default.asp.

For more information about the committee, please contact Jeff Martin, committee staff, at (406) 444-3595 or jmartin@mt.gov, or Fong Hom, committee secretary, at (406) 444-0502 or fhom@mt.gov. Lee Heiman is the staff attorney and can be reached at (406) 444-4022 or lheiman@mt.gov.

## ENERGY AND TELECOMMUNICATIONS COMMITTEE

Energized for the interim...What are the costs and benefits of wind power? Could public power play a bigger part in Montana? And is it economically and technologically feasible to sequester carbon dioxide in the Big Sky state?

These are three big questions that members of the Energy and Telecommunications Interim Committee will explore in the next 14 months. The ETIC met July 10 in Helena and reached a consensus on a work plan that focuses on a collection of energy topics.

Before diving into the work plan, members elected Rep. Harry Klock chair and Sen. Greg Lind vice-chair.

<u>Carbon sequestration a high priority...</u>The committee will spend the biggest chunk of its time delving into the carbon sequestration issue. Scientists and organizations across the nation, as well as in Montana, are studying carbon capture and sequestration. There are discussions about putting carbon dioxide underground, which is called geological sequestration, and storing carbon in biomass, such as forest or agricultural systems, which is called terrestrial sequestration.

The ETIC study will include an examination of methods and technologies available for carbon capture, transportation, and use; a review of the economic costs and effects of carbon sequestration; a feasibility study focused on Montana; and a review of the findings and recommendations of the Montana Climate Change Advisory Committee related to carbon sequestration.

More power to you...During the interim, committee members also will discuss the costs and savings of wind power development, public power opportunities in Montana, and the status of transmission lines in Montana. In addition, the committee will receive information on water use as it relates to coal gasification and liquefaction plants and an overview of the state of telecommunications systems in Montana.

NorthWestern Energy sale update...During the daylong meeting in Helena, the Public Service Commission provided members with an overview of its workload, including and update on the proposed sale of NorthWestern Energy. The PSC in May rejected an Australian company's proposed \$2.2 billion buyout of NorthWestern. Babcock & Brown Infrastructure has since made a revised offer that includes a rate credit for NorthWestern's 320,000 electric

and gas customers, a commitment to invest in new power projects, and details on spending for utility maintenance. The commission is expected to decide whether or not to reopen the case and review the new offer on July 24.

New energy development program...Committee members also were introduced to the new Department of Commerce Energy Infrastructure and Promotion Division. HB 2 of the May 2007 Special Session included \$660,000 in one-time general fund money for an Energy Infrastructure Promotion and Development program. The new division, led by Marty Tuttle, will facilitate the "planning, development, economic analysis, and coordination of energy transmission facilities that impact Montana." Because the new division intends to facilitate and coordinate efforts to enhance energy transmission lines, a topic the ETIC plans to track, committee members expressed an interest in receiving regular updates from the division.

<u>Colstrip in September...</u>The committee next meets Sept. 6-7 in Colstrip. Members plan to tour the coal-fired power plant and may visit a nearby mine. The discussion will be centered around carbon sequestration. Details of the trip will be posted on the ETIC website, http://leg.mt.gov/css/committees/interim/2007\_2008/energy\_telecom/default.asp., in the coming weeks.

For more information contact Sonja Nowakowski at snowakowski@mt.gov or at 444-3078.

## EDUCATION AND LOCAL GOVERNMENT COMMITTEE

<u>First meeting in June</u>...The Education and Local Government Interim Committee held its first meeting of the interim on June 29. Several organizational and orientation topics were covered. The members elected Sen. Rick Laible as chair and Rep. Gary Branae as vice-chair.

Education and local government 101...Staff and outside experts provided perspectives on the three general issue areas that will comprise the committee's workload for the next fifteen months: K-12 public education, higher education, and local government. Linda McCulloch, Superintendent of Public Instruction, discussed K-12 matters. Tyler Trevor, associate commissioner for Research, Technology, and Communication, Office of the Commissioner of Higher Education, and Roger Barber, deputy commissioner, Academic and Student Affairs, Office of the Commissioner of Higher Education, also spoke to the committee. Harold Blattie, executive director, Montana Association of Counties provided perspectives on local government and mentioned some of the projects MACo will be undertaking during the interim. Jeff Martin, lead staff of the Revenue and Transportation Interim Committee discussed RTIC's study plans that will touch on aspects of school finance in the months ahead.

<u>Subcommittees appointed</u>...Committee members organized themselves into three subcommittees.

#### K-12 subcommittee

Historically, the ELG has not opted to create a K-12 subcommittee. The purpose for doing so this interim was to guarantee an ongoing "education" of the members at a time when term limits challenge the committee's institutional memory of the complexities of the education policy arena. A subcommittee also creates the opportunity for broader participation: half of its eight members will be non-legislators from the education community. The K-12 subcommittee will consider distance learning, school facilities inventory, school funding levels in the second year of the biennium, financial challenges for rural schools, preparedness for college, and education savings plans. Members are Sens. Sam Kitzenberg (chair) and Dave Lewis and Reps. Wanda Grinde and John Ward.

### Postsecondary Education Policy and Budget subcommittee

As was the case in previous interims, the PEPB subcommittee tracks and responds to higher education issues. It too benefits from the broader participation of the education community, including two members of the Board of Regents, an executive branch appointee, and the Commissioner of Higher Education. Among its tasks will be HJR 22 which requires examination of, and possible remedies for, the availability of dental care in Montana's rural areas. ELG members are Sens. Bob Hawks (chair) and Jim Peterson and Reps. Bob Lake and Robin Hamilton.

#### HB 49 subcommittee

The 60th Legislature mandated that this subcommittee be formed to study local government special purpose districts. The study must include, in part, a review of the array of special districts and an examination of their consistency, clarity, and uniformity. The HB 49 subcommittee's focus and budget will be applied to this study alone. Other local government matters that arise will be addressed by the full ELG. See below for membership.

Wrapping it up...The meeting was rounded out with public comment, discussion of statutory duties, committee guidelines and budget, and tentative approval of the ELG work plan and calendar.

For more information about ELG, contact Casey Barrs at 444-3957 or at cbarrs@mt.gov.

## EDUCATION AND LOCAL GOVERNMENT COMMITTEE: HB 49 SUBCOMMITTEE

Appointments nearing completion...The HB 49 subcommittee charged with conducting a study of local government special purpose districts has begun to take shape. Shortly after his election as chair of the Education and Local Government Committee at ELG's June 29 meeting, Sen. Rick Laible appointed Sens. Kim Gillan (chair) and Laible and Reps. Gary Branae and Bill Nooney to serve on the subcommittee.

HB 49 requires that the remaining six members must be a county commissioner, a county clerk and recorder, a county treasurer, a city manager, a city commissioner or town council member, and a town clerk. The county and city officials are to be appointed by ELG's chair, based on recommendations by the Montana Association of Counties and the Montana League of Cities and Towns. As of mid-July, Laible has made the following appointments from names provided by MACo and MLCT:

County Commissioner: Mike McGinley, Beaverhead County

County Clerk and Recorder: Paula Robinson, Flathead County

County Treasurer:
Paulette DeHart, Lewis and Clark County

City Commissioner: Shoots Veis, City of Billings

City Manager: Appointment pending

Town Clerk: Appointment pending

HB 49 staff is drafting a work plan and an inventory of the special purpose districts provided for in the Montana Code Annotated, including information on how they may be formed, annexed, dissolved, protested, and funded.

Meeting plans, more information...The subcommittee will likely meet in late September, in conjunction with ELG's next scheduled meeting.

For more information about the HB 49 study, contact Leanne Heisel, subcommittee staff, at 444-3593 or lheisel@mt.gov.

#### **ENVIRONMENTAL QUALITY COUNCIL**

<u>EQC determines interim study topics...</u>The Environmental Quality Council will study conservation easements on state lands and climate change this interim, members decided last month.

As passed by the Legislature, HJR 57 provides that the conservation easement study include an evaluation of the effects of establishing conservation easements on state trust lands, including costs, benefits, compatibility with existing uses, and how to ensure that multiple use management occurs in the future.

Rep. Sue Dickenson of Great Falls proposed studying climate change. The study will include panel discussions debating various aspects of the issue. The EQC also will examine the report of the governor-appointed Climate Change Advisory Committee.

EQC elects leadership, public members appointed...Sen. Dave Wanzenried of Missoula was elected chair of the EQC. Carol Lambert of Broadus will serve as vice-chair. Public members appointed to the EQC are John Brenden of Scobey, Brian Cebull of Billings, Diane Conradi of Whitefish and Doug McRae of Forsyth. Cebull and McRae are returning members.

September meeting, more information...The next meeting of the EQC is scheduled for Sept. 13-14 in Helena. For more information on the council's interim work and an agenda for the next meeting, visit http://leg.mt.gov/css/lepo/2007\_2008.

#### WATER POLICY COMMITTEE

Committee meets in Dillon, elects leadership...The Water Policy Interim Committee held its first meeting of the interim in Dillon last month. The committee adopted its work plan for the interim, which includes travel to river basins in Montana where the ability to get a new water right is challenging at best. The committee's intent is to gain a better understanding of the problems faced by water users in these areas so that they may be considered when making policy decisions.

Committee members elected Sen. Jim Elliott as chair and Sen. Bill Tash as vice-chair.

In addition to administrative matters, the committee toured the Beaverhead Valley to discuss local water use and water issues. The second day of the meeting involved presentations by attorneys, hydrogeologists, consultants, and other experts regarding surface water/ground water in Montana, alternatives for management of water in Montana, alternatives for applying the use of mitigation, augmentation, and aquifer recharge in Montana as well as an update on the case study being conducted by the Montana Bureau of Mines and Geology on surface water/ground water in closed basins.

Water quality focus of next meeting...The next meeting--scheduled for Aug. 16 and 17 in the Gallatin Valley-will focus on water quality related to discharges into the ground water system, coordination of water quality and water quantity permitting systems, development and growth and their relationship to the protection of existing water rights, the level of analysis conducted related to cumulative impacts for water quality, federal drinking water standards, and state and federal effluent treatment standards.

Water on the Web...A copy of work plan along with proposed meeting dates and staff memos can be found on the committee's webpage: http://leg.mt.gov/css/lepo/2007 2008/water policy/default.asp.

The August meeting's exact location will be available on the webpage approximately 2 weeks prior to the meeting. For more information, contact Krista Lee Evans, 444-1640, kevans@mt.gov.

#### **ECONOMIC AFFAIRS COMMITTEE**

<u>Committee organizes, considers work plan options.</u>..The Economic Affairs Committee elected Rep. Scott Mendenhall as chair and Sen. Ken Hansen as vice-chair at its organizational meeting June 15. Mendenhall appointed Rep. Mike Milburn and Hansen to serve as members of the Rail Service Competition Council, and Rep. Bill Thomas and Milburn to serve as legislative liaisons to the State Compensation Insurance Fund.

Legislative Services Division staff presented tentative work plans for four studies assigned to the committee. Topics include value-added agriculture, health care financing, and two studies focusing on economic development. The committee is exploring subcommittee options with the Children, Families, Health and Human Services Committee regarding two studies analyzing health issues.

The Governor's Office of Economic Opportunity, the Department of Commerce, and the Department of Livestock-three of the state agencies the committee is statutorily charged with monitoring--made presentations to the committee.

<u>Public participation lauded</u>...Future meeting dates are being finalized, and all present members expressed their agreement with a recommendation from Mendenhall to hold meetings outside of Helena as feasible. Committee members mentioned the steadfast effort citizens make during the legislative session--often in the most vexatious of weather--to come to Helena and provide input on pending legislation as the impetus for the Legislature to conduct business in local communities during the interim.

For more information on the Economic Affairs Committee, contact Andrew Geiger, lead staff, at 444-5367 or angeiger@mt.gov.

#### LAW AND JUSTICE COMMITTEE

Committee elects leadership, adopts work plan...At its first meeting of the interim on July 13, the Law and Justice Interim Committee elected Sen. Dan McGee as presiding officer and Rep. Shannon Augare as vice-presiding officer. The committee also adopted a work plan and meeting schedule.

Studies and statutory duties...During the meeting, staff presented a primer on each of the four studies assigned to the committee. The four studies (in order of their priority according to a legislative poll) are:

- SJR 24: Study of prison population growth and diversion alternatives;
- HJR 26: Study of mental health services in the adult and juvenile justice systems;
- HJR 50: Study of involuntary civil precommitment process and costs; and
- SJR 6: Study of the juvenile justice system.

After presentation of the primers, representatives of the Judicial Branch, Department of Corrections, Department of Justice, and Office of State Public Defender provided overviews of their agencies and general comments on the committee's assigned studies, work plan, and meeting schedule.

<u>Committee allocates time, sets the dates</u>...In its work session, members chose to allocate available committee and staff time among its anticipated activities as shown in the following table.

-		
Study	Description	Time Allocation
SJR 24	Study of prison population growth and diversion alternatives	25%
HJR 26	Study of mental health services in adult and juvenile corrections	25%
HJR 50	Study of involuntary civil precommitment process and costs	15%
SJR 6	Study of juvenile justice system	25%
Statutory duties	Agency monitoring and emerging issues	10%

Committee members also agreed on the following tentative meeting dates and locations:

Oct. 1, 2007 (Helena) Nov. 8-9, 2007 (Butte)

Jan. 10-11, 2008 (Helena)

Feb. 28-29, 2008 (Helena)

April 10-11, 2008 (Helena)

June 26-27, 2008 (Helena)

Aug. 1, 2008 (Helena)

The meeting schedule is subject to change if unanticipated conflicts arise. Interested persons may sign up for automatic electronic notification of meetings by going to the committee's webpage, clicking on the sign up link, and

following the instructions.

The committee's webpage is accessible by going to http://leg.mt.gov, clicking on "Committees", "Interim", and "Law and Justice". Please contact Sheri Heffelfinger at 444-3596 if you have questions or need additional information.

### CHILDREN, FAMILIES, HEALTH AND HUMAN SERVICES COMMITTEE

No subcommittee for SJR 15...The Children, Families, Health and Human Services Interim Committee decided at its organizational meeting in June to keep two studies of different aspects of Montana's health care system with the full committee, rather than assigning one of the studies to a joint subcommittee.

The committee's decision came after review of draft study plans for the two studies assigned to the committee -- SJR 5, a study of Montana's emergency medical services, and SJR 15, a study of the state's health-care delivery system.

The draft study plan for SJR 15 provided the committee with the option of placing the study in a joint subcommittee that would also work on the top-ranked HJR 48 study of health insurance reforms, which is assigned to the Economic Affairs Interim Committee. The Economic Affairs Interim Committee had supported the idea of a joint subcommittee working on both the HJR48 study and the SJR15 study.

After considering the pros and cons of assigning SJR 15 to a joint subcommittee, CFHHS members voted to keep it with the full committee. Those members who supported the idea pointed to two key reasons for their decision:

- a concern that the SJR 15 issues may not receive enough attention if the study were put into a subcommittee working on major health insurance reforms.
- the possibility that CFHHS members who were not involved in the subcommittee would not be fully up to speed on the study issues.

Those members who supported placing the study with the subcommittee said it made sense to have one group of legislators look at two health-care studies that would include many of the same interested parties.

The SJR 15 study is charged with looking at many aspects of the health-care delivery system, including how specialty hospitals and issues such as physician credentialing are affecting health care services in Montana's communities.

HJR 48 subcommittee idea supported...Committee members agreed to participate in a joint subcommittee on HJR 48, as requested by the Economic Affairs Interim Committee. This study will focus on health insurance reforms and publicly funded health care programs, to determine ways

it may be possible to provide health insurance coverage to more Montanans.

Mental health appropriation discussed...Committee members also discussed a \$200,000 appropriation for a study of mental health and concluded the CFHHS Committee would be the most appropriate interim committee to oversee the study. The Legislative Council is currently considering how to handle the appropriation, which was originally proposed in HB 808 of the regular session. At the same time, an accompanying resolution proposed that the funds be used to contract for research on ways the state could maximize federal, state, and local funds for mental health services and develop a more comprehensive and integrated system. Although neither of those measures survived the regular session, the appropriation was approved during the special session.

The committee agreed to ask the Legislative Council to use the funds for a contracted study and to assign oversight of the study effort to the CFHHS Committee. The Council will consider the proposal at its September meeting.

Officers elected...Committee members unanimously selected Rep. Edith Clark as presiding officer and Sen. Dan Weinberg as vice-presiding officer. Both bring experience to their posts. Clark headed up the joint appropriations subcommittee that reviewed the health and human services budget during the 2007 Legislature and also served on the CFHHS Committee during the 2003-04 interim. Weinberg served on the CFHHS Committee last interim and chaired the Senate Public Health, Welfare and Safety Committee during the 2007 session, while also serving as vice chairman of the Joint Appropriations Subcommittee on Health and Human Services.

<u>Meeting dates set</u>...Committee members approved the following dates for future meetings:

Sept. 24, 2007 Nov. 16, 2007 Jan. 25, 2008 March 17-18, 2008 June 2008 (date to be determined) Aug. 22, 2008

<u>Committee updates available online</u>...Stay tuned to the committee's web site at www.leg.mt.gov/css/committees/interim/2007\_2008/child\_fam/default.asp for the latest news on schedules and activities and to obtain staff reports and other materials as they become available.

Questions?...Please contact Sue O'Connell at 444-3597 or soconnell@mt.gov for more information about committee activities.

#### LEGISLATIVE AUDIT COMMITTEE

Committee to hear audit reports...The Legislative Audit Committee will hold hearings on audit reports Tuesday afternoon, Aug. 21, and Wednesday, Aug. 22 in Room 172 of the Capitol. Although a final agenda has not been set, audit reports anticipated to be presented include:

#### Financial-compliance audits:

 Montana Water Pollution Control and Drinking Water State Revolving Fund Programs

#### Performance audits:

- How the State of Montana Assures Dependent Eligibility for Health Insurance
- Characteristics of the Population Served at Montana State Hospital
- HAVA (Help America Vote Act)
- Department of Natural Resources and Conservation's Role in Forest Fuels Reduction
- Promoting Proper Forest Practices

#### Information System audits:

- Medicaid Data Review
- UM Banner
- MSU Banner

#### 2007 SESSION BY THE NUMBERS

	2007	2005	2003
Number of bill draft requests	2,581	2,378	2,207

	2007	2005	2003
Number of bills introduced	1,526	1,411	1,360
Number of bills amended at least once	626	652	644
Number of times bills were processed to incorporate amendments	1,116	1,191	1,193
Number of bills enrolled (prepared in the form that they finally passed the legislature)	611	704	760
Standing and select committees staffed	30	31	33
Conference and free conference committees staffed	48	42	62
House & Senate computers/printers supported	140	173	169
Legislator laptops (115 legislators used the reimbursement)	128		
Estimated sets of non-budget amendments initially reviewed by editors	3,400	3,300	3,135
Estimated budget amendments reviewed by editors	500		
Telephone messages received by Legislative Information Office	12,284 (some sent in groups of up to 12 members)	15,062	21,849
Email messages received by Legislative Information Office	45,238	72,595	58,710
Pay and per diem checks issued to legislators and House/Senate staff	4,411	4,522	4,418
Hours of House/Senate floor sessions & committee hearings broadcast by TVMT	2,100	2,000(est.)	1,200(est.)
Pages (impressions) of bills printed	6,588,269	7,713,000	8,184,347
Years of compensatory time accumulated by staff since Oct. of year preceding session	3.58	3.16	4.18

#### THE BACK PAGE

THE YIN-YANG OF HEALTH CARE COVERAGE AND DELIVERY



By Pat Murdo Legislative Research Analyst

There's a yin-yang sense to two studies approved by the 60th Legislature dealing with health care. The yin-yang concept involves two components that are complementary yet opposite, distinct yet codependent.

The yin-yang interplay does not juxtapose House Joint Resolution No. 48 and Senate Joint Resolution No. 15 themselves but involves connections between health care affordability, raised in HJR 48's study of expanding health insurance coverage, and access to health care, a feature of SJR 15's study of health care delivery. The yin-yang simile is not exact in that a health care system has multiple components. The goal here is to consider complementary and contrary or possibly codependent elements and raise questions for consideration in the studies. Because each study covers a broad range of topics, the independent issues will be reviewed in the expanded study plans for each but not dealt with here.

#### YIN-YANG ELEMENTS OF HJR 48, SJR 15

Affordability and access to health care in Montana may complement or be at odds with one another. HJR 48 started out as a study to see if the new Massachusetts health insurance connector or exchange would work to expand Montana's affordable health care insurance coverage. Not wanting to ignore other options to expand the number of people with health insurance in Montana, Rep. Gary MacLaren, HJR 48's sponsor, and others directed the investigation to include all forms of financing, both private-pay and the expansion of government programs like Medicaid and the State Children's Health Insurance Program (CHIP). The study also covers portability of insurance coverage, efficiency, and affordability.

Access, along with affordability, is a point of nexus between HJR 48 and SJR 15. Sponsored by Sen. Kim Gillan, SJR 15 initially requested a review of specialty hospitals vis-a-vis nonprofit community hospitals, a moratorium on speciality hospitals, the roles of physicians referring patients to their physician-owned facilities, and the roles of hospitals using credentialing to limit hospital privileges. The amended resolution asked the study to include health information technology, hospital staffing, quality and cost containment initiatives, health care costs, and the individual consumer's role in accessing health care.

Some parties say SJR 15 centers on competition among health care providers; others say the study is intended to

examine the impact that conflicts of interest have on health care costs -- conflicts between those who refer patients and those who treat them, whether the referrals be between doctors and hospitals or doctors and other health care providers, like physical therapists. The referral relationship's effect on competition impacts both access and affordability.

- Question for HJR 48 discussion: How do access, competition, and possible conflicts of interest affect affordability?
- Questions for SJR 15 discussion: (1) What is the role
  of the state in determining competition or resolving
  conflict of interest among health care providers? (2)
  Is the state responsible for helping to guarantee
  some form of access by citizens to health care
  providers?<sup>1</sup>

#### CITATIONS FROM NEW JERSEY

Private pay health insurance or its public counterpart under Medicare, CHIP, or Medicaid are not the only ways of paying for health care. Some people pay out of pocket. For example, the April 12 car crash that injured New Jersey Gov. Jon Corzine could have cost New Jersey's workers' compensation plan \$80,000-plus in medical bills because Corzine was on the job while injured. However, Corzine, a multimillionaire, paid the \$80,000-plus in medical bills out-ofpocket and an additional \$300,000 in part because he was violating state law by not wearing a seat belt when his speeding car, driven by a state trooper, was involved in a highway accident. A Philadelphia Inquirer story reported that the \$300,000 "reflects the difference between the amount paid to Cooper [University Hospital] -- essentially the rate that would be charged a state worker--and what a wealthy person without insurance would be charged for equivalent care."2 This comment implies that a person with insurance pays less than a person without insurance (if that person can afford to pay at all). Although the wealthy patient may pay more than an uninsured low income person, if the poorer person's charges are marked as unrecoverable, an uninsured middle income person who pays using an interest-bearing credit account will pay more than the wealthy person who writes a check. Even if the actual cost of care is the same, billing is not one-charge-fits-all.

<sup>&</sup>lt;sup>1</sup>The state has justified regulation of health care competition in the past based on concerns about health care affordability. For example, as stated in 50-4-601, MCA, the legislature in 1993 created a Certificate of Public Advantage (COPA) to control health care costs and improve the quality of and access to health care in cases of merger, consolidation, or cooperative agreements. The only COPA used so far was for the 1995 merger of two hospitals in Great Falls. Under 50-4-603, MCA, a COPA is voluntary but its use protects against antitrust lawsuits. Another process in which the state intervened to regulate competition was the certificate of need (CON) process, required to open or expand a new health care facility. Over the years, the legislature has removed the CON process for most health care facilities.

<sup>&</sup>lt;sup>2</sup>Jennifer Moroz, "Corzine to pay about \$400,000 for accident care", *The Philadelphia Inquirer*, July 12, 2007. See online version at: http://www.philly.com/inquirer/local/20070712\_Corzine\_to\_pay\_bill\_of\_about\_\_400\_000.html

#### **RUBE GOLDBERG-LIKE FINANCING?**

The report on Corzine's hospital charges spotlights the role of insurance and out-of-pocket payments, the building blocks for financing our health care system. These building blocks explain why, without the simplicity of a single-payor health care system, insurance is not just a good idea but is a linchpin in a Rube Goldberg-like health care system. Insurers negotiate with health care providers -- doctors, hospitals, physical therapists, or others -- because the insurer can assure the health care provider of payment.

Unlike users of other types of insurance who are encouraged to pay out of pocket for low-cost items in order to retain the lowest-cost policy and rely on insurance to cover high-cost, unexpected items, a user of health insurance may find that certain low-cost items, like checkups or preventive care visits, are covered by insurance as are certain state-mandated benefits. One rationale for insurance coverage of early preventive visits is to encourage early detection, which helps to offset downstream high costs of care for a person who might have ignored symptoms.

In contrast, proponents of health savings accounts (HSAs) seek to return to the insurance-as-a-last-resort model to encourage people to use insurance only for major medical costs. HSAs offer tax benefits to people who set aside money for health care and use insurance only after meeting a steep (\$5,000 or more) deductible. However, health insurers have assumed two major roles, as negotiators and in partnerships, that may result in users of HSAs paying the higher charges that are typically levied against the uninsured.

#### Insurers as negotiators

Insurers negotiate with health care providers to gain discounts on "charges", which may be less than the "costs of care". Negotiations are effective because few health care providers are willing to list actual costs of care.

- Question for HJR 48 discussion: Would increasing the number of people with insurance coverage help to control the costs of health care by diminishing the amount of uncompensated care? (A major unknown in the calculation of health care providers' costs are so-called unrecoverable costs or charity care.)
- Questions for SJR 15 discussion: (1) How does the insurer negotiating lower prices influence the use of certain health care providers or procedures? (2) Would transparency in pricing hurt or help maintain access and affordability? (3) Does a lack of transparency in pricing help nonprofit community hospitals that provide a broad range of services to

use the income received from certain types of surgery to subsidize money-losing functions, such as emergency rooms? If so, what policy is appropriate for the state -- as an insurance negotiator through Medicaid, as a provider of insurance to its employees, and as a policymaker on behalf of its citizens' health and welfare -- to keep costs low but still guarantee access for citizens? (4) Are state subsidies appropriate to assure some types of services? and (5) Which types of health care providers write off charges as uncompensated care and how does this affect competition among providers?

Questions for both HJR 48 and SJR 15 discussions:

 (1) Is transparency in pricing possible?
 (2) Is the state willing to subsidize or provide tax advantages to some types of care in areas where access or affordability is problematic?
 (3) What process would allow pricing to reflect actual costs without revealing "trade" secrets?

#### Insurers in partnerships

Another approach insurers use to decrease the costs of health care and attract insurance buyers is to establish partnerships with groups of doctors who agree to provide discounted charges while the insurer agrees to charge lower premiums to customers who use the managed care provided by that set of doctors. An additional incentive for the doctors may be use of the insurer's coordinated billing and record keeping systems.<sup>4</sup>

Insurers' use of partnerships can adjust access behavior, one way that managed care networks have tried to control health care costs. In particular, a limit can exclude high-cost providers from insurance policies. One lesson from the Massachusetts plan that may apply to the yin-yang aspects of HJR 48 and SJR 15 is that expanded, affordable health insurance coverage achieved by encouraging low premiums may encourage more insurer arrangements with providers, a way of directing traffic that SJR 15 is intended to review.

- Question for HJR 48 discussion: What type of balance is necessary between keeping premiums low to provide affordable coverage for more Montanans and making sure that access is available to a range of providers?
- Question for SJR 15 discussion: (1) How do partnerships between providers and insurers impact consumer use? (2) Is there additional -- or less -- use because of partnerships between providers and insurers and what are the impacts on the cost of health care and illness prevention? (3) If insurers use partnerships to avoid high-cost providers, does the state have a role in determining that quality or innovation are worthy goals that may result in some

<sup>&</sup>lt;sup>3</sup>As used here, the cost of care equates to an itemized cost, whether for a procedure or use of a facility. A charge would include actual costs plus cross-subsidies or cost-shifting to make up for lost revenue from uncompensated care. The MHA, an association of Montana health care providers, lists selected average charges at: http://www.mtha.org/consumer/compare.htm.

<sup>&</sup>lt;sup>4</sup>See BlueCross BlueShield of Montana website on partnerships: http://www.bcbsmt.com/Company/company\_partnerships.asp

providers charging more than others?

#### THE MASSACHUSETTS APPROACH

Another aspect of the 2006 Massachusetts health care reforms that may inform the HJR 48 and SJR 15 studies is the mix of approaches Massachusetts is using to obtain nearly universal, affordable health insurance coverage. Bay State policymakers recognized that uncompensated care has a role in higher health care costs, which is one reason that policymakers there mandated individual coverage but provided a variety of approaches to help people afford coverage. These ranged from expansion of existing public assistance programs to use of a health insurance connector or exchange<sup>5</sup> where individuals or small employers (those with fewer than 50 employees) could review and purchase insurance policies. Larger employers are expected to keep their health insurance policies, although whether they will is a wait-and-see question.

In a review of the Massachusetts reforms in the journal *Health Affairs*, John Holahan and Linda Blumberg of the Health Policy Center at the Urban Institute noted that one intent of a health insurance exchange is to hold down premium costs by providing plans that have "relatively high costs-sharing requirements and limited provider networks." They went on to note that the high cost-sharing, limited provider plans "may result in shifting financing burdens away from the collective insured population and onto those who use health services the most." In other words, the low premium benefits could result in more people covered but the high-use population paying more for comprehensive policies. That could mean more people priced out of the private-pay market and shifted onto public assistance programs.

Massachusetts expanded its public assistance programs in several ways under the reforms. A new subsidy program, called the Commonwealth Care Health Insurance Plan (CCHIP), uses the health insurance connector or exchange to handle the subsidies for those with household incomes up to 300% of poverty, if they are not eligible for Medicaid or Medicare, have lived in the state for the previous 6 months, and don't have access to job-based insurance for which the employer pays at least 33% of the premium for single coverage and 20% for family coverage.

The Massachusetts plan for the first three years also limits insurers participating in the CCHIP (subsidy) program to the managed care plans that now service the state's Medicaid populations. This benefits two so-called safety-net hospitals in Boston and Cambridge that had argued, according to the

Health Affairs article, that some people would continue to be uninsured and need to be served. The legislation creating the Massachusetts plan provided \$1.38 billion to these hospitals, apparently to help with uncompensated care. If it weren't for the stature of the two safety-net hospitals, the effect of the Massachusetts health reforms may be to divide health care providers into those who primarily care for the less well-insured and those who care for the better-insured. That concern is part of the SJR 15 study.

- Questions for HJR 48 discussion: (1) Would a thirdparty negotiator like a health insurance connector or exchange increase or decrease the number of partnerships between insurers and health care providers? (2) What would be the impact on health care costs?
- Questions for SJR 15 discussion: Do partnerships result in some providers serving a less-poor population and other providers not in a partnership providing uncompensated care or more care to longterm pay or Medicaid patients?

#### **CONCERNS ABOUT SAFETY NET INEQUITIES**

One concern expressed in SJR 15 testimony related to inequity if "boutique" hospitals that do not serve Medicare patients accept only well-insured health care consumers while nonprofit community hospitals that take Medicare patients are required to treat any person regardless of ability to pay. Boutique hospitals are not necessarily the ambulatory surgical centers often cited in the debate about specialty hospitals. Some ambulatory surgical centers accept Medicare patients, which means they, too, could face uncompensated charges. But most ambulatory surgical centers do not provide emergency care, a type of high-cost care suspected of having above-average defaulted payments. Conversely, not all nonprofit community hospitals provide a full range of services, often excluding mental health and obstetrics because of high costs.

Similarly, not all providers agree to serve Medicaid patients. Although the 2007 report to the Legislature on the Montana Medicaid Program covering FY 2005-2006 said the number of providers had increased from 12,463 enrolled in October 2006 to 15,109 providers enrolled in August 2006, further study is necessary to determine whether a two-tier system of health care is evident in the Medicaid program. Further study also is needed to address SJR 15 concerns about inequity among types of providers and those who pay their charges.

- Questions for HJR 48 discussion: (1) Should public assistance care be directed to certain providers by means of subsidies? (2) What types of providers accept Medicaid payments and what can the state do to assure a range of providers in a cost-effective way?
- Questions for SJR 15 discussion: (1) Could a

<sup>&</sup>lt;sup>5</sup>The term health insurance exchange is intended to reflect the service provided by the New York Stock Exchange and other market exchanges, in bringing buyers and sellers together.

<sup>&</sup>lt;sup>6</sup>John Holahan and Linda Blumberg, "Massachusetts Health Care Reform: A Look at the Issues", *Health Affairs*, September 14, 2006. Available online at: http://content.healthaffairs.org/cgi/content/full/hlthaff.25.w432v1/DC1

<sup>7</sup> Ibid.

- revolving system be developed to assure equity in which providers serve those least able to pay? (2) Should all providers be required to participate in some form of service to those receiving public assistance?
- Questions for both HJR 48 and SJR 15 discussions: What is the impact of health care financing reforms, such as those in Massachusetts, on health care providers who participate in public assistance programs like Medicaid and on those who don't?

#### THE YIN-YANG DEBATE SUMMARIZED

Much of the discussion here revolves around the role that private and public insurance plays in the health care industry. Not everyone believes that insurance should have such a central role. However, reforms to the system that do not include insurance would mean total change. That is unlikely without national reforms. The questions presented above are reminders of how changes in the complex system of health care have the potential to disturb existing balances and yinyang relationships.



### **INTERIM CALENDAR**

UNLESS OTHERWISE SPECIFIED, ALL ROOM DESIGNATIONS ARE IN THE CAPITOL

Su	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
_						
Augus	t 2007					
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
				Water Policy Interim Committee, Upper Missouri Basin	Water Policy Interim Committee, Upper Missouri Basin	
				(Gallatin Valley)	(Gallatin Valley)	
19	20	21	22	23	24	25
10	20	Legislative Audit Committee, Room	Legislative Audit Committee, Room	23	24	23
		172 (p.m.)	172			
26	27	28	29	30	31	

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Septem	nber 2007		1			
2	3	4	5	6 Energy and Telecommunications Committee, Colstrip	7 Energy and Telecommunications Committee, Colstrip State Administration and Veterans' Affairs Committee	8
9	10	11	12 Water Policy Interim Committee, Clark Fork Basin	13 Environmental Quality Council Water Policy Interim Committee, Clark Fork Basin	14 Environmental Quality Council	15
16	17	18	19 Revenue and Transportation Committee, Room 137	20	21	22
23	24 Children, Families, Health and Human Services Committee	25 Education and Local Government Committee Legislative Council	26 Legislative Council	27	28	29
30						

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